



THE CENTER  
FOR CORPORATE  
CITIZENSHIP  
AT BOSTON COLLEGE

# EPA Performance Track Conference

## Workshop:

## Community Engagement

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THE CENTER FOR CORPORATE CITIZENSHIP AT BOSTON COLLEGE  
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# What is The Center?

## Mission

• To provide leadership in establishing corporate citizenship as a business essential so that all companies act as economic and social assets to the communities they impact by integrating social interests with core business objectives.

- Carroll School of Management
- International corporate membership: 350 companies, 50% Fortune 100
- Leading Research
- Classes and Custom Training
- Executive education
- Information/Resource services
- Conferences and Convenings
- Consulting services
- [www.bc.edu/corporatecitizenship](http://www.bc.edu/corporatecitizenship)

# Education and Training Programs

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- The Institute on Corporate Community Involvement
- Strategic Contributions
- Operational Planning
- Designing Employee Volunteer Programs
- Benchmarking: Learning and Adapting Best Practices
- Building Effective Partnerships
- Mobilizing Corporate Citizenship
- Corporate Citizenship for Facilities Managers
- Diffusing Anger, Building Trust: Communication Skills for Challenging Situations

# In Practice Database

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## A tool to benchmark practices and programs

- Looking for ideas for programs? Want to know how other companies are solving similar problems? Search our In Practice database, compiled of programs and practices from a range of companies and industries. Collected from both The Center's research and experience as well as from external resources, these programs have one thing in common: they contribute to corporate citizenship through regular business operations and the investment of core business resources.
- Search the database by company, industry, topic, keywords or region.

# In Practice Data Base: Example

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- **Results**
- Displaying records **1** through **8** of **8** records found for Dow Chemical
- **Company Topic Summary**
- [Dow Chemical](#) **Measurement and Evaluation** Dows surveys communities across the globe in which the company has a significant presence every other year to measure the perception of Dow as a sustainable development company. Sample questions are included.
- [Dow Chemical](#) **Communications** Outlines what a community advisory panel is, how it is organized, and its meeting schedule
- [Dow Chemical](#) **Communications** Dow's large plant sites have developed their own websites to ensure consistent communication to their communities, and to provide a venue where the community can voice issues to the company.
- [Dow Chemical](#) **Communications** Dow has developed a global magazine for its employees. The magazine is also shared with the community through local newspapers.
- [Dow Chemical](#) **Community Economic Development** Dow encourages its employees to serve on local economic development boards. This example describes how employees get involved and the win-win benefit of their participation.
- [Dow Chemical](#) **Programs** Because it is a chemical company, Dow supports hands-on science programs to encourage middle school students to embrace science.
- [Dow Chemical](#) **Community Economic Development** To celebrate the company's 100th year anniversary, Dow renovated a school in need of repair in Brazil.
- [Dow Chemical](#) **Community Economic Development** Dow Chemical supports local economic development by encouraging its suppliers and customers to locate plants or offices in the communities where Dow operates to encourage more job growth. Example included.
- [START NEW SEARCH](#)

# Community Involvement Index 2003

## 10 Most Critical Social Issues facing Respondents' Communities

2002	2001	2000	1999
1. Education	1. Education	1. Education	1. Education
2. Economic Development	2. Environment	2. Economic Development	2. Economic Development
3. Health Care	3. Job Training	3. Job Training	3. Job Training
4. Environment	4. Literacy	4. Higher Education	4. Health Care
5. Literacy	5. Homelessness	5. Health Care	5. Child Care
6. Higher Education	6. Housing	6. Literacy	6. Literacy
7. Transportation	7. Higher Education	7. Child Care	7. Higher Education
8. Housing/Job Training	8. Child Care	8. Transportation	8. Transportation
9. Child Care	9. Transportation	9. Environment	9. Housing
10. Unemployment	10. Economic Development/ Racism	10. Housing	10. Racism

# Presentation Overview

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- 1) Defining Corporate Citizenship and Communities
- 2) How Community Involvement links to Corporate Citizenship and Neighbor of Choice Concepts
- 3) Two Frameworks for action:  
Employee Involvement and Community Development

# Corporate Citizenship

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For Companies, Corporate Citizenship is:

- The way a company integrates basic social values with everyday business practices, operations, and policies.
- An important driver for building trust with customers, attracting and retaining employees, and establishing support with communities where they operate.

Communities include:

regions, cities, towns, and neighborhoods geographically close to the business, and “non-geographic” communities including employees, suppliers, customers, and a wide range of stakeholders.



# Corporate-Citizenship/Community Involvement has many definitions

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## Stakeholder definitions



**The “tough” view of citizenship.** Companies create problems. They must improve their behavior.



Cisco Networking Academy

**The “partnership” view of citizenship.** Companies have vast potential to solve society’s problems



**The “practical” view of citizenship.** No company is perfect. Corporate Citizenship is about the journey. Its how you align business goals, stakeholder concerns, social & environmental issues productively.

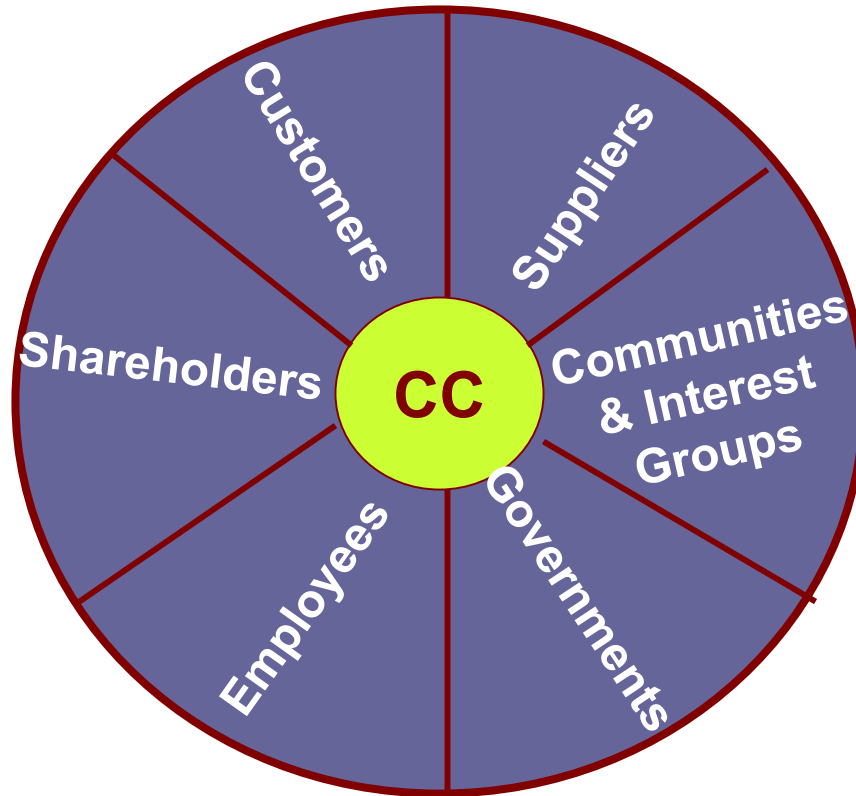
# Corporate Citizenship encompasses a variety of functions

Corporate Philanthropy =	How a company contributes
Community Involvement =	How a company participates
Corporate Ethics =	How a company behaves

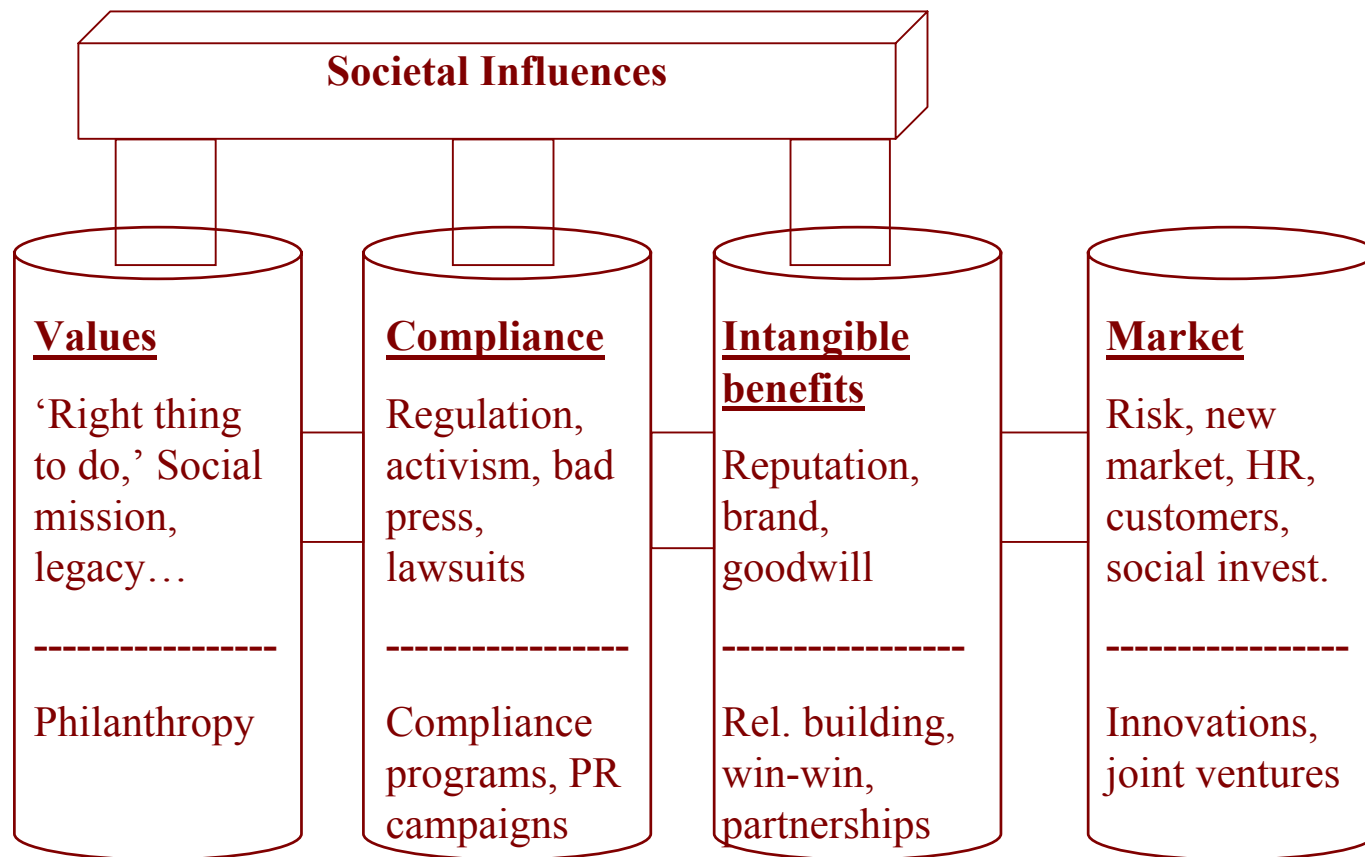


**Corporate Citizenship**  
*manage relationships, issues, and demonstrate values*

# Stakeholder Engagement – The Key



# What Typically Drives Corporate Citizenship and Community Involvement? The Silos...



# Social Vision

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- Social vision is a company's view of its role in society, as influenced by its culture, traditions, and values.
- A company's social vision ultimately determines the manner in which it fulfills its corporate citizenship responsibilities

# Platforms for Viewing Society

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- A CEO's social vision may extend beyond the boundaries of the company's economic influence. Global issues can shape the vision and direct action.
- A facility manager's social vision may extend only to the communities with which the facility directly interacts. Local issues shape the vision and direct action.

*Internet*

**Cyber  
Community**

**Site  
Community**

*Geographical*

**The  
Corporation  
in the  
Community**

**Employee  
Community**

**Fenceline  
Community**

*Immediate  
neighbors*

*Where  
employees  
live/  
concerns*

**Interest  
Community**

*Common  
interests*

**Impact  
Community**

*Operations  
Influence  
Exit  
Entry*

# “Neighbor of Choice”

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## *Goal: To be a “Neighbor of Choice”*

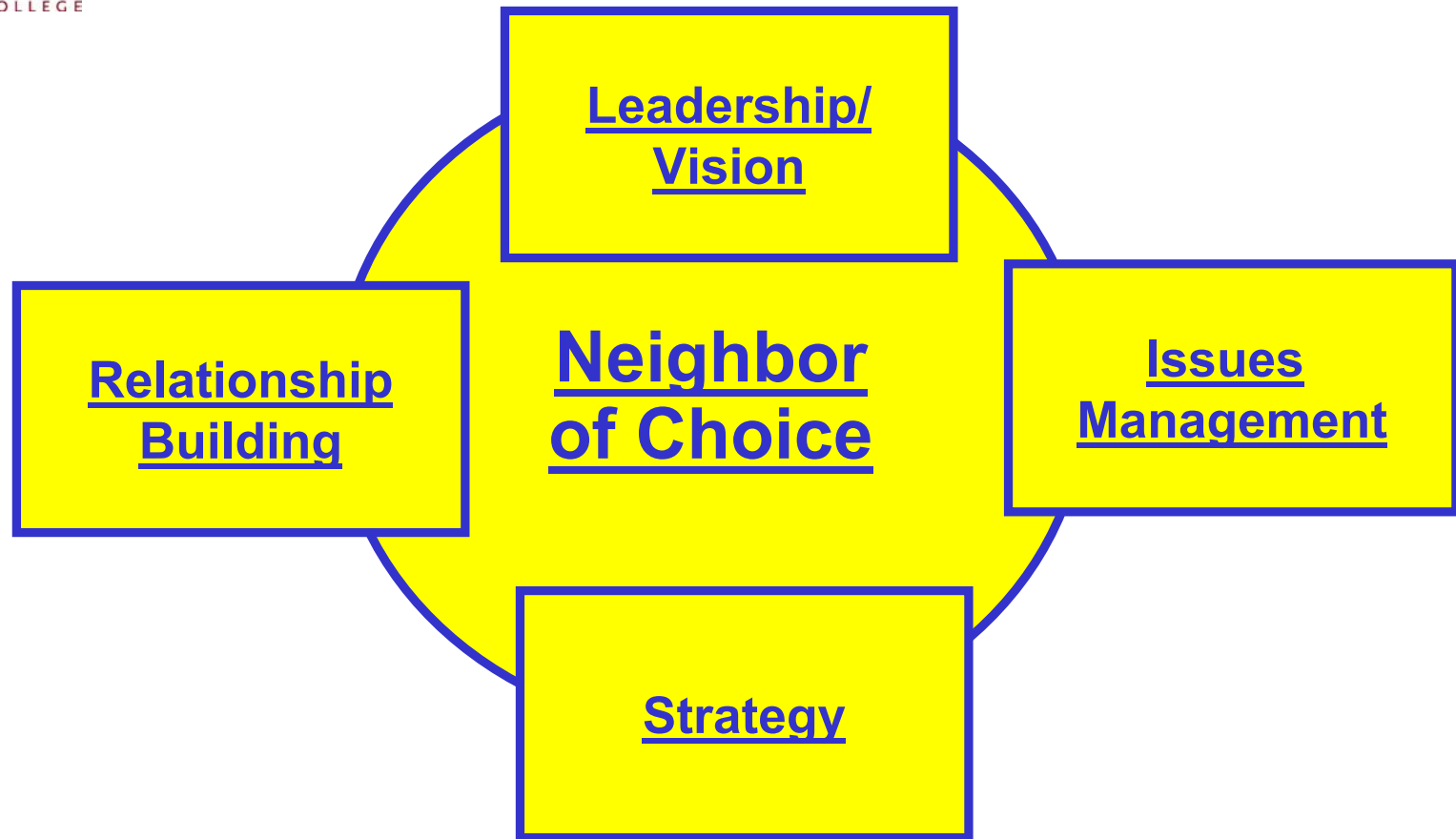
**A company that builds and sustains relationships of trust with its communities and stakeholders**

## *Neighbor of Choice as a Strategy*

*Neighbor of Choice* is a strategy that links business success to corporate citizenship. It is a blueprint for developing, implementing and institutionalizing a corporate-wide community investment strategy.



# Neighbor of Choice Strategy



*source: Boston College CCCR*

# The Neighbor of Choice Strategy:

## *Leadership/Social Vision*

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- Executive support, commitment and involvement
- Defines the corporation's commitment to the community.
- Defines the link between community and business success.

# The Neighbor of Choice Strategy:

## *Building Relationships of Trust*

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Critical component of company strategy and operations

*To develop relationships we must:*

- Determine critical communities
- Identify critical stakeholders
- Develop trust-based relationships

# The Neighbor of Choice Strategy:

## *Identify Community Issues, Needs, Concerns*

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- Monitor community issues affecting company's LTO
- Identify challenges and opportunities
- Find the links: develop win-win responses

# The Neighbor of Choice Strategy:

## *Develop a Strategy*

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- Design strategic programs/responses that will serve company *and* community needs
- Move from programs to *investments*
- Determine the ROI for the company and community

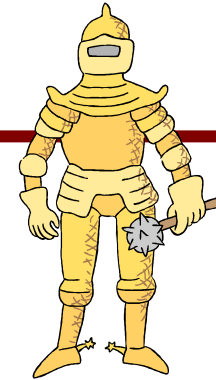
# Different Types of Community Involvement

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- Employee Involvement
- Business and Community Development
- Cultural Arts/Sports
- Health
- Safety/Violence Prevention

# #1: Employee Involvement

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- Employee Involvement is the investment of time by company employees to direct their skills, services, management, or knowledge to support the external communities in which their company operates  
(The Center for Corporate Citizenship at Boston College).

# Types of Employee Involvement

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- Open Employee Involvement
  - Random events
  - Often driven by community initiated requests
  - No deliberate strategy or focus, selected corporate support
- Employee-driven Involvement
  - Employee initiated
  - Personal causes, driven by personal energy/interest
  - No stated strategy or focus, selected corporate support
- Corporate Employee Involvement Program
  - Company managed
  - Proactive, strategic, linked to business goals
  - Corporate resource commitment, plan, guidelines/policies
- Combination of Types



# Trends in Employee Involvement

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- Corporate volunteer programming continues to rise. 85% of companies surveyed have a program vs. 79% in 1999, 70% in 1997

The Center Community Involvement Index 2003

- Company participation in network councils up 250% since 1985

Points of Light Foundation Study, 1999

- 48% incorporate volunteer involvement in their company's overall business plan, up from 19% in 1992

- 81% of companies use volunteerism to support core business functions, up 31% since 1992

Points of Light Foundation/Allstate Foundation Study, 2000

# Business Case for Employee Involvement

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- Following 9/11, 80% of consumers feel companies should support social causes, a 15% increase since March, 2001-- the largest opinion shift in 8 years.
- 85% of respondents said 9/11 made it “more important than ever” for companies to support their communities

Source: Cone/Roper

# Business Benefits for Employee Involvement

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- Most effective way to build relationships of trust
- Supports core business issues
- Benefits employees and the community
- Can be leveraged to support corporate giving
- Provides a “face” in the community
- An effective way to identify issues
- Meets community expectations

# Human Resources: Examples

## *The Link Grows Stronger Report*

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<b>Benefit</b>	<b>1999 Survey (Strongly agree, agree)</b>
Volunteering builds teamwork skills	97%
Volunteering provides training for employees	83%
Employees benefit from EVP through increased productivity	51%
Volunteering helps morale	94%

# Key Characteristics

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- Effective internal communication strategies
- Support long-term relationships with community partners, in addition to short-term, one-day projects
- Most of these companies provide incentives for employees to participate, whether it is through matching contributions, or paid time-off to work in the community
- Use community involvement to not only strengthen the community, but also to acquire a competitive advantage over competitors
- Partnerships are established with reputable nonprofit organizations that can effectively coordinate and organize volunteer assistance
- Employee Involvement programs are also used as a tool in developing employee skills and experiences

## #2: Business and Community Development (BCD)

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- Activities that increase the economic and social assets of low-income communities and individuals through regular business operations and by investing core business resources (as opposed to philanthropy).
- Activities that integrate community and economic development approaches as part of a line business model, be it purchasing, product development, investments, marketing, production, service, human resources, etc.

# A Typology of Corporate Involvement in Community and Economic Development

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## **Market Creation/Development**

- Products and services targeted to LMI individuals (e.g., affordable housing mortgages, retail site location, financial/insurance services)
- Business creation, expansion, and attraction to LMI locales/geographies
- Niche marketing

## **Minority business development**

- Minority supplier purchasing
- Technical assistance for low-income and minority-owned business
- Capital investment in minority business

## **Business location and operations**

- Capital investments in facilities
- Locating operations in LMI communities

## **Workforce Development**

- School-to-work
- Welfare-to-work
- Dislocated/underemployed transitions
- Community college partnerships
- Local recruitment
- Career Development: Skills training and professional staff development

## **Comprehensive community development**

- Multi-stakeholder, multi issue partnerships
- Holistic community development (housing, small business assistance, infrastructure job training)
- Commercial center development

## **Social investments**

- Low-income housing tax credits
- Housing and infrastructure development
- Below-market rate loans, micro-finance, and program-related investments

# Returns from Business and Community Development

## Business Returns

- Market Creation and Development
- New Business Development
- Workforce Development
- Business location & Operations
- New investment opportunities
- Supplier Development

## Community Benefits

- Comprehensive community development
- New business creation
- Affordable housing
- Employment and income generation
- Access to financial and investment institutions
- Improved education, health, crime rates, etc.



# How to Do It?

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- 1) Create new relationships
- 2) Identify the business case and community value
- 3) Research best practices in the area of focus
- 4) Develop a strategy
- 5) Organize to grow the strategy over time with multiple partners

# 1) Establish New Relationships

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## Internal Stakeholders

- ✦ Underwriting
- ✦ Sales/Marketing
- ✦ Purchasing
- ✦ Product Development
- ✦ Finance
- ✦ Compliance/Legal
- ✦ Human Resources
- ✦ Workforce

## External Stakeholders

- ✦ Intermediaries in the community and government
- ✦ Community groups/institutions
- ✦ Local and state government
- ✦ Individuals - potential customers, employees, suppliers, community
- ✦ Competitors in the same sector

## 2) Establish the Business Value of the approach

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- ↙ New market and sales opportunities
  - ↙ Workforce development
    - ↙ New products and services
      - ↙ Supplier and small business development
        - ↙ Competitive return on investments
          - ↙ Enhanced reputation and relationships
            - ↙ More efficient use of corporate resources

### 3) Identify Organizational Capabilities

#### Core Business Resources

- Purchasing
- Hiring
- Employees
- Training
- Manufacturing/Production
- Products and Services
- Marketing and Communications
- Distribution Networks
- Expertise and Core Competencies
- Intellectual Property
- Investment Capital
- Facilities and Equipment

#### CR Resources

- Grant Making
- Volunteer Programs
- Relationship Building
- Issues Management
- Civic Leadership

#### Stakeholder Resources

- Expertise in Communities and economic development
- Information (e.g. Market Intelligence)
- Relationships
- Leadership
- Assets and Infrastructure

# Defining a Corporate Involvement Strategy

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## Identify

- Business Issues
- Stakeholders
- Capabilities/Resources
- Strategic Corporate Response



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# AMD

Business Issues	Stakeholders	Corporate Capabilities	Strategic Corporate Response
<ul style="list-style-type: none"><li>• Attract and develop skilled workers in order to sustain and grow the business</li><li>• Improve retention rates</li></ul>	<ul style="list-style-type: none"><li>• Low-income adults</li><li>• High-school students</li><li>• Community development groups</li><li>• Community colleges</li><li>• Other companies</li></ul>	<ul style="list-style-type: none"><li>• Core: Human Resources, technical expertise, training, production facilities</li><li>• Grants, volunteer programs, relationships with schools, civic leadership</li><li>• Community: Educators, curricula, access to population</li></ul>	<ul style="list-style-type: none"><li>• Workforce development partnership combining vocational education with internships.</li><li>• Leverages human, financial and community resources to go beyond what company alone can do.</li></ul>

# Texas Instruments

Business Issues	Stakeholders	Corporate Capabilities	Strategic Corporate Response
<ul style="list-style-type: none"> <li>Respond to local community needs for economic development</li> <li>Expand and secure a flexible and high quality supplier base</li> <li>Develop future markets</li> </ul>	<ul style="list-style-type: none"> <li>Minority and women business owners</li> <li>Community Development Groups</li> <li>Minority Leaders</li> <li>Economic Community</li> </ul>	<ul style="list-style-type: none"> <li>Core: Purchasing, MWBD expertise, Investment Capital</li> <li>CR: Mentoring program, community volunteers, Civic Leadership</li> <li>Community Assets (businesses), Access to potential business partners, Leadership</li> </ul>	<ul style="list-style-type: none"> <li>Minority and women business development program formally initiated with performance goals. Increases local commitment to MWBD by participating in public review of area-based programs.</li> <li>TI also supports a local venture fund to develop new businesses.</li> </ul>

# Corporate Concerns

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## AMD

- Disbelief that target population would be a viable workforce, in part due to long time horizon
- Limited understanding of challenges of recruitment and retention. Limited role-responsibility for it outside of HR
- Mentoring and internships would be a drain on productivity

## TI

- Disbelief that suppliers would achieve quality requirements
- Public review would create unwanted scrutiny of operations



# Managers Role

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- Leadership role together with Senior VP's of manufacturing to drive effort internally and externally
- Project coordinator for regional effort to establish consortium of companies, government agencies, non-profits
- Internal liaison to build support. Overcame resistance by gaining a few champions who modeled involvement and recruited others.
- Willing to own projects that will take time to develop and demonstrate results. This is a long-term investment.

# The Manager's Role

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- ↪ Leadership: Management research shows that middle managers at corporate and senior facilities managers are often the true innovators. It doesn't always build from top leadership vision.
- ↪ Skill: Establishing new relationships in order to build internal teams and partnerships to work on achieving newly defined community involvement objectives.



# Resources:

## Supporting the Business Case for Business and Community Development

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### Center Materials:

- ↪ Conversations with Disbelievers
- ↪ BCD report and Case studies
- ↪ Measuring the Impact
- ↪ In-Practice database /Case studies

# Where to go for more examples?

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## **The Center for Corporate Citizenship:**

- Training - See our Course listings
- Custom Training- for your site or region
- Strategic Planning
- Resource Center
- In-Practice Data Base

# Final Thoughts

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- Good Corporate Citizens can act as economic and social assets to the communities they impact.
- Employee involvement and Community Economic Development are the two fastest growing areas of corporate-community involvement.
- There are lots of models and strategies that already exist, you don't have to re-create the wheel.
- Companies can provide needed resources to communities by establishing and strengthening their community involvement programs as a civic partner.